

IN FAVOR OF PANAMA ROUTE

REPORT OF CASE CONFERENCE

Offer of Sale Found to Be Made in Good Faith—Includes the Whole Property of the Company, Together With Its Stock in the Panama Railroad—Full Power Given to the Directors to Sell.

WASHINGTON, Jan. 20.—The President sent a message to Congress this afternoon transmitting the supplementary report of the Isthmian Canal Commission. The

commissioners reports unanimously in favor of accepting the offer of the Panama Canal Company to sell its rights and property to the United States. This offer, it finds, was made in good faith. The entire property of the canal company is included in the offer to sell.

No programme has yet been arranged for the consideration of the canal question in the Senate. None of the Senators, not even Mr. Morgan, the chairman of the Committee on Inter-oceanic Canals, has yet read the report of

the Isthmian Canal Commission forwarded to Congress by the President to-day, in which the Panama route is recommended. Of course, the substance of the report is well known, but the committee will take no action until it has been thoroughly considered.

Senator Morgan says that the committee will be called together soon and the report

and before it and hearings given to members of the commission and others who may have knowledge on the subject. He believes that the committee will eventually report in favor of the Nicaragua route. For himself he thinks the Hepburn bill, passed by the House, meets the situation fully, and that Congress could not do better than to pass it without any change. Mr.

Morgan says that, leaving out of consideration the question of price and of legal concessions, the Panama route is not a feasible one, and that the canal cannot be ascertained never will be built.

The Republicans of the Senate have had no caucus or conference as yet to consider the canal question and will not have one until the committee shall have considered the question and taken action upon it in the light of to-day's report of the Canal Commission. It is impossible to say as yet how the Senate as a whole stands with regard to proposed canal legislation, but there is no doubt that the recommendation

of the committee in favor of the Panama route has been very favorably received. Some of the best informed Senators are now inclined to believe that this route will be advocated by a majority of the Senate.

or that the Hepburn bill will be passed with the amendment rejected by the House, giving the President of the United States the power, under certain conditions, to select the route. The supporters of the Panama route include some of the ablest and most influential men on both sides of the Senate chamber and a strong fight will be made.

to have the report of the commission adopted and embodied in whatever bill is passed. Under the circumstances there is bound to be a determined and persistent fight before any bill passes the Senate.

Colombian Minister to the United States, for the conclusion of a protocol setting forth the arrangements on which Colombia will concede to the United States the necessary rights and privileges for this Government to undertake the completion of the Panama canal. The protocol will not have the binding force of a treaty, but

The Administration has, apparently, no fear that there will be trouble over securing all the necessary rights to enable the Panama Canal to be constructed. As for the offer of the Panama company, it may be said authoritatively that the Administration

faith and no fear is felt that there will be legal complications to prevent the consummation of the agreement. The view of the Administration is that if there be claimants against the Panama company who desire satisfaction, they must look to the company for redress after the United States have paid over the \$40,000,000 agreed on as the price of the canal properties.

The commission's report follows:

The President of the United States:
SIR: The Isthmian Canal Commission has the honor to submit the following report upon the proposition of the new Panama Canal Company to sell and dispose of all its rights, property and unfinished work to the United States for \$40,000,000.
At a meeting of the stockholders of the new Panama Canal Company held on the 21st of December last, full power was given to the board of the company

to negotiate for the transfer of its property, concessions and unclaimed work to the United States, its action to be subject to formal ratification by the stockholders. In accordance with this action the board indicated its desire, through its representative in this city, to offer a proposition to make such transfer to the United States for the price mentioned. Thereupon, by your oral direction the President of the commission conferred with Mr. Edouard Lantier, Sec-

The first conference was held in Paris on June 4 and it stated that the committee was ready to transfer to the

found under the property, after which the grant for \$200,000.00 and that the offer would remain open until March 1, 1968. As it was not clear whether this offer included all the property of the company, further correspondence ensued and it was made clear that the proposition was interested in not only the entire property of the company upon the incidence of Fomento, all the stock of the Fomento Nacional (the joint held for its use and benefit and the total assets, divisions and interests in Fomento).

A counterproposal and explanatory document were forthwith containing a full statement that was submitted the initial

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